



Find your way here

Changes to Delegated Authority with Real Estate

Board of Trustees
September 24, 2019



Timeline to Change

- **December 2017:** UNCG Board of Trustees authorized University to pursue delegated authority for leasing consistent with Section 600.1.3[R] of the UNC Policy Manual as approved January 7, 2014.
- **December 2018:** The Committee on Budget and Finance gave preliminary approval for proposed changes to delegations of powers and duties to the boards of trustees related to acquisitions and dispositions of real property.
- **March 2019:** The Committee on Budget and Finance approved revisions to The Code and UNC Policies.
- **April 2019:** Presentation made to UNCG Board to Trustees about proposed changes to The Code and UNC Policies.
- **May 2019:** BOG approved amendments and revisions to The Code and UNC Policies governing acquisition and disposition of real property.



BOG's Delegated Authority

- N.C. Gen. Stat. 116-31.12 delegates to the Board of Governors the authority to authorize the constituent institutions and The University of North Carolina to **acquire and dispose of real property by lease** if the lease is for a term of not more than ten (10) years.
- N.C. Gen. Stat. 116-11.13 gives the Board of Governors the ability to **delegate any part of its authority** to the board of trustees of the constituent institutions or to the President of the University of North Carolina in any case **where such delegation appears necessary or prudent to enable the institution to function in a proper and expeditious manner.**

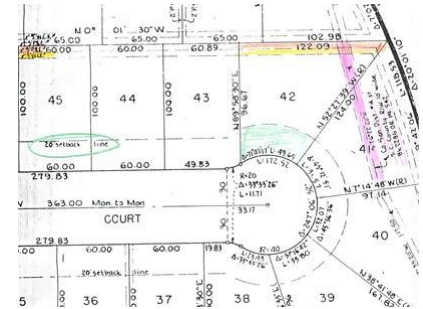


Policy References

- These are the new policies and amendments to existing policy and regulation in the following sections of The Code of the University of North Carolina and the UNC Policy Manual:
 - Appendix 1 of The Code, “Delegations of Duty and Authority to Boards of Trustees” (amendment)
 - Section 200.6, UNC Policy Manual, “Policy on Delegation of Authority to the President” (amendment)
 - Section 600.1.3, UNC Policy Manual, “Policy on Authority for Real Property Transactions” (new)
 - Section 600.1.3[R], UNC Policy Manual, “Regulations on Acquisition and Disposition of Real Property Authority” (new)
 - The previous Sections 600.1.3, 600.1.3[R] and 600.1.4[R] were repealed.

REAL PROPERTY

OTHER THAN LEASE



- “Other than lease” refers to acquisition or disposition of property through transactions such as:
 - Sale
 - Easement (e.g. public utility)
 - Right-of-way
 - License
 - Demolition

- You can further characterize these types of transactions as either being permanent or temporary/conditional.





General Authority for Real Property Other than a Lease

Annual Rent	Type	CFO	Chancellor	BOT	President	BOG	DOA	Council of State
\$0 – 499,999* <small>BOT may authorize Chancellor to authorize transactions less than \$50,000*</small>	Permanent Fee simple, easement or demolition	X	X	X			X	X
\$500,000 – 749,999	Permanent Fee simple, easement or demolition	X	X	X	X		X	X
\$750,000 or more	Permanent Fee simple, easement or demolition	X	X	X	X	X	X	X

Instruments granting revocable, non-transferable, time-limited licenses to use property for specific purpose may be executed by chancellors or designee based on institution policies

Note: New/Amended policies gives Chancellor authority for transactions < \$50,000, if granted by BOT.



Additional Delegated Authority for Real Property Other than a Lease

Annual Rent	Term	CFO	Chancellor	BOT	President	BOG	DOA	Council of State
\$0 – 999,999* <small>BOT may authorize Chancellor to authorize transactions less than \$50,000 *</small>	Permanent Fee simple, easement or demolition	X	X	X			X	X
\$1,000,000 – 1,249,999	Permanent Fee simple, easement or demolition	X	X	X	X		X	X
\$1,250,000 or more	Permanent Fee simple, easement or demolition	X	X	X	X	X	X	X

Instruments granting revocable, non-transferable, time-limited licenses to use property for specific purpose may be executed by chancellors or designee based on institution policies

Note: New/Amended policies gives Chancellor authority for transactions < \$50,000, if granted by BOT.

REAL PROPERTY

By Lease





General Authority for Leasing

Annual Rent	Term	CFO	Chancellor	BOT	President	BOG	DOA	Council of State
\$0 – 449,999 BOT may authorize Chancellor to authorize transactions of less than \$50,000	No longer than 10 years	X	X	X			X	X
\$500,000 – 749,999	No longer than 10 years	X	X	X	X			
\$750,000 or more	No longer than 10 years	X	X	X	X	X	X	X
\$0 or more	> 10 years			X		X	X	X

* Note: New/Amended policies gives Chancellor authority for transactions < \$50,000, if granted by BOT.



Additional Delegated Authority for Leasing

Annual Rent	Term	CFO	Chancellor	BOT	President	BOG	DOA	Council of State
\$0 – 749,999 <small>BOT may authorize Chancellor to authorize transactions of \$150,000 or less *</small>	No longer than 10 years	X	X	X				
\$750,000 – 999,999	No longer than 10 years	X	X	X	X			
\$1,000,000 or more	No longer than 10 years	X	X	X	X	X		
\$0 or more	> 10 years			X		X	X	X

* Note: New/Amended policies gives Chancellor authority for transactions no more than \$150,000, if granted by BOT.



Actions Requested of Board

- Authorize University to **pursue required approvals for Additional Delegated Authority for acquisitions and dispositions of real property by lease and by transactions other than lease**, as prescribed by and consistent with the value thresholds and authority allowable under Sections 600.1.3 and Section 600.1.3[R] of the UNC Policy Manual, **effective July 1, 2019**.
- Delegate authority to the **Chancellor to authorize acquisitions and dispositions** of an interest in real property **other than a lease** and with value **less than \$50,000**.
- Delegate authority to the **Chancellor to authorize and execute instruments granting revocable, non-transferrable, time-limited licenses to use real property for specific purposes** and to establish a University policy to that effect.
- Delegate authority to the **Chancellor to authorize acquisitions and dispositions** of real property **by lease** with an annual value **less than or equal to \$150,000** and a term **of not more than 10 years**.



Find your way here

Questions?